



# OFFICE OF THE LIEUTENANT GOVERNOR

## REPORT ON AUDIT FOR THE YEAR ENDED JUNE 30, 2022

Auditor of Public Accounts  
Staci A. Henshaw, CPA

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## AUDIT SUMMARY

Our audit of the Office of the Lieutenant Governor for the period July 1, 2021, through June 30, 2022, found:

- proper recording and reporting of all transactions, in all material respects, in the Commonwealth's accounting and financial reporting system;
- no matters involving internal control and its operation necessary to bring to management's attention; and
- no instances of noncompliance with applicable laws and regulations or other matters that are required to be reported.

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## AGENCY HIGHLIGHTS

The Lieutenant Governor's major activities include serving as the President of the Senate, representing the Commonwealth at ceremonial functions, serving on boards and commissions, serving as liaison between federal and local governments on specific projects at the request of local officials, and responding to inquiries from constituents. The Division of Selected Agency Support Services in the Office of the Secretary of Administration provides administrative support to the Lieutenant Governor's office.

The Office of the Lieutenant Governor (Office) receives funding from General Fund appropriations, and the majority of the Office's expenses are payroll and fringe benefits for the Lieutenant Governor and Office staff. Tables 1 and 2 report budget and expense information for the Office. In fiscal year 2022, the Office made severance payments to employees of the former Lieutenant Governor which resulted in an increase in expenses as shown in Table 1.

**Budget and Expense Summary for Fiscal Years 2021 - 2022**

Table 1

	2021	2022
Original budget	\$389,229	\$389,229
Final budget	388,271	437,138
Actual expenses	377,876	402,829

Source: Commonwealth's accounting and financial reporting system

**Budget and Expense Analysis for Fiscal Year 2022**

Table 2

	2022
Original appropriations	\$389,229
Adjustments:	
Workforce Transition Act payments to former officials	18,880
Transfer to/from Central Appropriations for salary and benefit changes	18,634
Discretionary re-appropriation of prior year unexpended General Fund cash balances	<u>10,395</u>
Total adjusted appropriations	<u>437,138</u>
Expenses:	
Personal services	310,522
Continuous charges	74,986
Contractual services	15,573
Supplies and materials	<u>1,748</u>
Total expenses	<u>402,829</u>
Unexpended balance	<u>\$ 34,309</u>

Source: Commonwealth's accounting and financial reporting system



Staci A. Henshaw, CPA  
Auditor of Public Accounts

# Commonwealth of Virginia

*Auditor of Public Accounts*

P.O. Box 1295  
Richmond, Virginia 23218

June 1, 2023

The Honorable Winsome Earle-Sears  
Lieutenant Governor of Virginia

Joint Legislative Audit  
and Review Commission

We have audited the financial records and operations of the **Office of the Lieutenant Governor** (Office) for the period of July 1, 2021, through June 30, 2022. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

## **Audit Objectives**

Our audit's primary objectives were to evaluate the accuracy of recorded financial transactions in the Commonwealth's accounting and financial reporting system, review the adequacy of the Office's internal controls, and test compliance with applicable laws, regulations, contracts, and grant agreements.

## **Audit Scope and Methodology**

The Office's management has responsibility for establishing and maintaining internal control and complying with applicable laws, regulations, contracts, and grant agreements. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws, regulations, and contracts.

We gained an understanding of the overall internal controls, both automated and manual, sufficient to plan the audit. We considered significance and risk in determining the nature and extent of our audit procedures. Our review encompassed controls over the following significant cycles, classes of transactions, and account balances:

- Expenses, including payroll
- System access controls
- General Fund appropriations

We performed audit tests to determine whether the Office’s controls were adequate, had been placed in operation, and were being followed. Our audit also included tests of compliance with provisions of applicable laws, regulations, contracts, and grant agreements. Our audit procedures included inquiries of appropriate personnel, inspection of documents, records, and contracts, and observation of the Office’s operations. We performed analytical procedures, including budgetary and trend analyses. We also tested details of transactions to achieve our objectives.

A non-statistical sampling approach was used. Our samples were designed to support conclusions about our audit objectives. An appropriate sampling methodology was used to ensure the samples selected were representative of the population and provided sufficient, appropriate evidence. We identified specific attributes for testing each of the samples and when appropriate, we projected our results to the population.

### **Conclusions**

We found that the Office properly stated, in all material respects, the amounts recorded and reported in the Commonwealth’s accounting and financial reporting system. The financial information presented in this report came directly from the Commonwealth’s accounting and financial reporting system.

We noted no matters involving internal control and its operation that we consider necessary to be reported to management. The results of our tests of compliance with applicable laws, regulations, contracts, and grant agreements disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### **Exit Conference and Report Distribution**

We discussed this report with management on June 21, 2023.

This report is intended for the information and use of the Governor and General Assembly, management, and the citizens of the Commonwealth of Virginia and is a public record.

Staci A. Henshaw  
AUDITOR OF PUBLIC ACCOUNTS

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**OFFICE OF THE LIEUTENANT GOVERNOR**

As of June 30, 2022

Winsome Earle-Sears, Lieutenant Governor

DIVISION OF SELECTED AGENCY SUPPORT SERVICES

Rochelle Altholz, Director